


2012 REGULAR SESSION  
ACTUARIAL NOTE SB 18

<b>Senate Bill 18 SLS 12RS-140 Enrolled</b>  <b>Author: Senator Elbert L. Guillory Date: May 17, 2012</b>  <b>LLA Note SB 18.04</b>  <b>Organizations Affected:</b>  <b>Louisiana State Police Retirement System</b>  <b>EN NO IMPACT APV</b>	<b>The Note was prepared by the Actuarial Services Department of the Office of the Legislative Auditor.</b>   <b>Paul T. Richmond, ASA, MAAA, EA Manager Actuarial Services</b>
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**Bill Header:** STATE POLICE RET FUND. Provides for technical corrections (7/1/12)

**Cost Summary:**

Actuarial Cost/(Savings) to Retirement Systems and OGB	\$0
Total Five Year Fiscal Cost	
Expenditures	\$0
Revenues	\$0

**Estimated Actuarial Impact:**

The chart below shows the estimated increase/(decrease) in the actuarial value of benefits, if any, attributable to the proposed legislation. Note: it includes the present value cost of fiscal costs associated with benefit changes. It does **not** include present value costs associated with administration or other fiscal concerns.

	<b><u>Increase (Decrease) in The Actuarial Present Value</u></b>
<b><u>Actuarial Cost (Savings) to:</u></b>	
All Louisiana Public Retirement Systems	\$0
Other Post Retirement Benefits	\$0
Total	\$0

**Estimated Fiscal Impact:**

The chart below shows the estimated fiscal impact of the proposed legislation. This represents the effect on cash flows for government entities including the retirement systems and the Office of Group Benefits.

<b>EXPENDITURES</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-2017</b>	<b>5 Year Total</b>
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Agy Self Generated	0	0	0	0	0	0
Stat Deds/Other	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Local Funds	0	0	0	0	0	0
Annual Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

<b>REVENUES</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-2017</b>	<b>5 Year Total</b>
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Agy Self Generated	0	0	0	0	0	0
Stat Deds/Other	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Local Funds	0	0	0	0	0	0
Annual Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**Bill Information:**

**Current Law**

Current law uses more than one term in referring to the System, including the Louisiana State Police Pension and Retirement System and as the Louisiana State Police Pension and Relief Fund.

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**Proposed Law**

The proposed law substitutes a single term throughout – the Louisiana State Police Retirement System.

**Implications of the Proposed Changes**

The proposed law clears up any potential ambiguity due to using different terms for the system.

**Cost Analysis:**

**Analysis of Actuarial Costs**

**Retirement Systems**

There is no actuarial cost associated with SB 18 for retirement benefits.

**Other Post Retirement Benefits**

There is no actuarial cost associated with SB 18 for post-retirement benefits other than pensions.

**Analysis of Fiscal Costs**

There are no fiscal costs associated with SB 18.

**Actuarial Credentials:**

Paul T. Richmond is the Manager of Actuarial Services for the Louisiana Legislative Auditor. He is an Enrolled Actuary, a member of the American Academy of Actuaries, a member of the Society of Actuaries and has met the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinion contained herein.

**Dual Referral:**

**Senate**

- ☐ 13.5.1  $\geq$  \$100,000 Annual Fiscal Cost
- ☐ 13.5.2  $\geq$  \$500,000 Annual Tax or Fee Change

**House**

- ☐ 6.8(F)(1)  $\geq$  \$500,000 Annual Fiscal Cost
- ☐ 6.8(F)(2)  $\geq$  \$100,000 Annual SGF Fiscal Cost
- ☐ 6.8(G)  $\geq$  \$500,000 Annual Tax or Fee Change